

FILED

UNITED STATES DISTRICT COURT
ALBUQUERQUE, NEW MEXICO

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO**

MAR 13 2019

UNITED STATES OF AMERICA,

Plaintiff,

vs.

JOSHUA B. CORDOVA,

Defendant.

MITCHELL R. ELFERS
CLERK

Case No.

19-754 WJ

Counts 1-49: 18 U.S.C. § 641—Theft and
Conversion of Federal Funds

INDICTMENT

The Grand Jury charges:

GENERAL ALLEGATIONS

1. Sandia National Laboratories (“SNL”) is a research facility owned by the government of the United States. During the periods material to this Indictment, SNL was operated by government contractors for the United States Department of Energy. From approximately 1993 through April 2017, Sandia Corporation managed SNL. Beginning on May 1, 2017, National Technology and Engineering Solutions of Sandia, LLC (NTESS), assumed responsibility for the operation of SNL. SNL’s primary facilities and management offices are situated in New Mexico.

2. **JOSHUA B. CORDOVA**, the defendant, was employed at SNL by Sandia Corporation and NTESS from approximately 2010 to December 2018. As part of his duties, **CORDOVA** provided training to military, law enforcement and emergency response personnel in the use of equipment developed by SNL.

3. On or about November 2012, **CORDOVA** applied for and was issued the first in a series of three SNL Procurement Cards (also referred to as Purchase Cards). Those SNL Procurement

Cards were credit cards issued by U.S. Bank and funded by the United States Department of Energy for the limited purpose of enabling **CORDOVA** to procure equipment and materials necessary to the performance of his duties at SNL. Equipment and goods purchased with the SNL Procurement Cards were the property of the United States, and private receipt, retention or conversion of such property was not authorized. In the Agreement to Participate in Sandia National Laboratories Procurement Card Program that accompanied his application, **CORDOVA** expressly acknowledged “that the card issued to me is for company approved purchases only” and agreed “not to charge personal items on the procurement card.”

4. Beginning not later than August 2014 and continuing until on or about October 2018, **CORDOVA** fraudulently used SNL Procurement Cards that had been assigned to him to expend government funds to purchase hundreds of items that were neither authorized nor necessary to the performance of his duties at SNL. Those unauthorized purchases included: jewelry; clothing; shoes; sunglasses; golf clubs and accessories; exercise equipment; GPS watches; toys; tires; dog food; barber chairs; a barber pole; hair care supplies; hair salon furniture; building materials; espresso makers; coolers; cellular telephones; computer tablets; televisions; home theater sets; and home appliances. **CORDOVA** unlawfully received, retained and converted that property for his personal use and the use of his family and others.

5. As part of SNL’s Procurement Card program, **CORDOVA** was required to provide a monthly reconciliation or accounting of charges to his assigned SNL Procurement Cards. For most of that period, SNL did not regularly require holders of SNL Procurement Cards to submit receipts or other proof of purchases but instead relied upon card holders’ representations and descriptions regarding charges to their assigned Procurement Cards.

6. To conceal his fraudulent use SNL Procurement Cards and perpetuate his continuing scheme, **CORDOVA** disguised his fraudulent transactions in his monthly reconciliation accounting. For example:

- (a) On or about July 12, 2016, **CORDOVA** used a SNL Procurement Card that had been issued to him to buy a diamond engagement ring (described as a 1.57 Carat Princess Cut Designer Four Prong Round Diamond Engagement Ring) from an on-line retailer at a cost of approximately \$3,429. That diamond ring was delivered to a house where **CORDOVA** then resided in southwest Albuquerque, New Mexico. In his monthly reconciliation of charges to his assigned SNL Procurement Card, **CORDOVA** falsely represented that this charge was for the purchase of: “Grid Aim Kit, 3-Grid Boards, 1-Tri-Pod, 1-Wep Mount, 1-XRS Adapt, 1-Fiducial, 1-Tool set, 1-Aim Finder etc.”
- (b) On or about May 31, 2017, **CORDOVA** used a SNL Procurement Card that had been issued to him to purchase a table (described as a Steve Silver Company Tournament Dining & Game Table) from an on-line retailer at a cost of approximately \$628. That table was delivered to **CORDOVA**’s residence in southwest Albuquerque. **CORDOVA** fraudulently described this purchase as: “1 Pelican 1650 with foam cut out / top zipper packs – 1 Pelican 1510 with foam.”
- (c) On or about August 22, 2017, **CORDOVA** used a SNL Procurement Card that had been issued to him to purchase four (4) barber chairs (described as Armstead Professional Reclining Barber Chairs) from an on-line retailer for approximately \$2,199. (Those chairs were in addition to: five Barber Pub All Purpose Hydraulic Barber Chairs purchased on May 30 2017; one Truman’s Barber Chair purchased on June 1, 2017; and three LCL Beauty Salon Styling Station Packages purchased on July 13, 2017.) These

barber chairs were delivered to **CORDOVA's** residence in southwest Albuquerque, New Mexico. **CORDOVA** disguised this purchase in his monthly accounting as: "6 men/red tripod 550."

- (d) On or about August 24, 2017, **CORDOVA** used a SNL Procurement Card that had been issued to him to buy a Samsung Curved 55" 4K Ultra HD Smart LED television from an on-line retailer for approximately \$899. That television was delivered to **CORDOVA's** residence in southwest Albuquerque, New Mexico. In his monthly reconciliation, **CORDOVA** fraudulently described this purchase as: "1 full kit 0 12 items – Bosch power tools."
- (e) On or about August 28, 2017, **CORDOVA** used a SNL Procurement Card that had been entrusted to him to buy a diamond wedding band (described as a 1.40 Carat 14K White Gold Princess & Round Diamond Ladies Anniversary Wedding Band) from an on-line retailer for approximately \$944. Like the engagement ring and other merchandise that preceded it, this wedding band was delivered to **CORDOVA's** residence in southwest Albuquerque, New Mexico. To conceal the nature of this purchase in his monthly accounting, **CORDOVA** described it as: "2 carbon fiber Manfredo 510 tripods."
- (f) On or about June 18, 2018, **CORDOVA** used a SNL Procurement Card that had been assigned to him to buy a trampoline (described as a Skywalker 15' Rectangle Trampoline with Enclosure) from an on-line retailer for approximately \$571. That trampoline was delivered to **CORDOVA'S** residence in southwest Albuquerque, New Mexico. **CORDOVA** disguised this purchase in his monthly reconciliation reporting as: "3 Pe[l]ican case w/Velcro packs."
- (g) On or about July 11, 2018, **CORDOVA** used a SNL Procurement Card that had been

issued to him to buy two (2) home theater sets (described as 5.1 Home-Theater Sets with Sonos Play Sub and Playbar) from an on-line retailer for approximately \$3,720. These sets were delivered to **CORDOVA's** residence in southwest Albuquerque, New Mexico. In his monthly accounting for the charge to his assigned SNL Procurement Card, **CORDOVA** falsely represented that he had purchased "10 switches."

- (h) On or about August 28, 2018, **CORDOVA** used a SNL Procurement Card that had been issued to him to buy two (2) (described as Goodyear Wrangler DuraTrac radial tires) from an on-line retailer for approximately \$528. Those tires were delivered to **CORDOVA's** residence in southwest Albuquerque, New Mexico. **CORDOVA** concealed the nature of this purchase in his monthly accounting by representing that he had purchased: "3 Pelican cases w/foam cutout."
- (i) On or about September 13, 2018, **CORDOVA** used a SNL Procurement Card that had been assigned to him to buy a refrigerator (described as an LG 26.2 cubic foot stainless steel French-door refrigerator) from a store in Los Lunas, New Mexico, for \$2,018.99. That refrigerator was delivered to a residence in northwest Albuquerque, New Mexico, that **CORDOVA** then shared with his wife. In his monthly accounting for charges to the SNL Procurement Card entrusted to him, **CORDOVA** falsely described this purchase as: "De Walt batteries, 3 De Walt torque drills, 2 power cords."
- (j) On or about that same day, September 13, 2018, **CORDOVA** used one of the SNL Procurement Cards that had been issued to him to also purchase a washing machine (described as a white Samsung 5.2 cubic foot top load washing-machine) and a clothes dryer (described as a white Samsung 7.4 cubic boot electric dryer) from a store in Los Lunas, New Mexico, for \$1,802.92. These appliances were delivered to the home of

CORDOVA's ex-wife, in Los Lunas, New Mexico. **CORDOVA** disguised this purchase in his monthly reconciliation as: "Cat5 cable 3bx-150ft, cable reels, power cords, power blocks, GFCIs."

7. Charges incurred on SNL Procurement Cards assigned to **CORDOVA** (as well as charges incurred on SNL Procurement Cards issued to other employees) were billed directly to SNL on or around the 10th day of each month. SNL employees downloaded the monthly aggregate Procurement Card statements from a U.S. Bank website. SNL thereafter electronically effected payment to U.S. Bank. Upon receipt of the monthly SNL Procurement Card statements, SNL's Travel and Treasury Department in New Mexico submitted electronic authorization for payment of accrued SNL Procurement Card charges to U.S. Bank via the internet. U.S. Bank, in turn, relayed that electronic authorization to the Federal Reserve Bank in Virginia to draw funds from a Department of Energy account that was used to fund SNL's operations. The United States Reserve Bank transmitted or credited funds to SNL's accounts at U.S. Bank for payment of charges to SNL Procurement Cards as well as other expenses and obligations.

8. Through this scheme, **CORDOVA** used SNL Procurement Cards to purchase hundreds of items that that he fraudulently purloined for his personal use. As a further part of this scheme, **CORDOVA** converted federal funds for his personal purposes. In aggregate, **CORDOVA** caused more than \$173,000 to be drawn from the United States Department of Energy's account at the Federal Reserve Bank to pay for his fraudulent purchases.

Counts 1 to 49

Paragraphs 1 through 8 of the General Allegations set forth above are re-alleged and incorporated by reference as though fully set forth herein.

Or about each date set forth in Counts 1 to 49, in Bernalillo County, in the District of New Mexico, and elsewhere within the jurisdiction of this Court, Defendant **JOSHUA B. CORDOVA** willfully and knowingly did embezzle, steal, purloin, and convert to his own use, money of the United States in an aggregate sum of more than \$1,000.

| Count | On or About | U.S. Treasury Payment Number | Approximate Sum Converted to Pay Fraudulent Charges |
|--------------|--------------------|---|--|
| 1 | September 16, 2014 | 140916029113 | \$3,461.59 |
| 2 | October 16, 2014 | 141016030929 | \$2,292.09 |
| 3 | November 14, 2014 | 141114035914 | \$799.87 |
| 4 | December 16, 2014 | 141216032883 | \$1,827.08 |
| 5 | January 14, 2015 | 150114031798 | \$158.82 |
| 6 | February 13, 2015 | 150213034645 | \$2,426.70 |
| 7 | April 15, 2015 | 150415041794 | \$2,843.94 |
| 8 | May 20, 2015 | 150520034401 | \$862.09 |
| 9 | June 15, 2015 | 150615040379 | \$983.00 |
| 10 | July 14, 2015 | 150714031694 | \$1,862.45 |
| 11 | August 12, 2015 | 150812030441 | \$2,503.77 |

| Count | On or About | U.S. Treasury Payment Number | Approximate Sum Converted to Pay Fraudulent Charges |
|--------------|--------------------|---|--|
| 12 | September 15, 2015 | 150915040276 | \$697.99 |
| 13 | October 20, 2015 | 151020030970 | \$2,883.18 |
| 14 | November 13, 2015 | 151113036473 | \$578.14 |
| 15 | December 14, 2015 | 151214035330 | \$416.99 |
| 16 | January 13, 2016 | 160113030647 | \$941.32 |
| 17 | February 12, 2016 | 160212036232 | \$1,152.57 |
| 18 | March 22, 2016 | 160322030028 | \$1,770.02 |
| 19 | April 14, 2016 | 160414035452 | \$1,057.55 |
| 20 | May 16, 2016 | 160516038344 | \$432.96 |
| 21 | June 15, 2016 | 160615043341 | \$667.50 |
| 22 | July 13, 2016 | 160713033459 | \$725.41 |
| 23 | August 19, 2016 | 160819037398 | \$4,186.56 |
| 24 | September 14, 2016 | 160914037951 | \$3,345.83 |
| 25 | October 13, 2016 | 161013041204 | \$1,301.25 |

| Count | On or About | U.S. Treasury Payment Number | Approximate Sum Converted to Pay Fraudulent Charges |
|--------------|----------------------|---|--|
| 26 | November 18, 2016 | 161118041860 | \$1,339.16 |
| 27 | December 16, 2016 | 161216042240 | \$1,949.72 |
| 28 | January 17, 2017 | 170117056601 | \$236.93 |
| 29 | February 16, 2017 | 170216033689 | \$114.64 |
| 30 | March 15, 2017 | 170315043165 | \$760.26 |
| 31 | April 13, 2017 | 170413040786 | \$953.87 |
| 32 | May 15, 2017 | 170515045722 | \$665.90 |
| 33 | June 19, 2017 | 170619037534 | \$3,768.38 |
| 34 | July 18, 2017 | 170718034399 | \$2,592.83 |
| 35 | August 15, 2017 | 170815041833 | \$6,807.16 |
| 36 | September 15, 2017 | 170915048620 | \$8,923.27 |
| 37 | October 12, 2017 | 171012040970 | \$2,764.73 |
| 38 | December 1, 2017 | 171201057177 | \$5,141.48 |
| 39 | December 13-14, 2017 | 171214040656 | \$6,714.55 |

| Count | On or About | U.S. Treasury Payment Number | Approximate Sum Converted to Pay Fraudulent Charges |
|--------------|--------------------|---|--|
| 40 | January 12, 2018 | 180112046057 | \$7,343.61 |
| 41 | February 14, 2018 | 180214035438 | \$2,254.82 |
| 42 | March 14, 2018 | 180314035320 | \$8,679.18 |
| 43 | April 16, 2018 | 180416050792 | \$7,841.73 |
| 44 | May 17, 2018 | 180517037266 | \$6,782.22 |
| 45 | June 13, 2018 | 180613038733 | \$17,311.09 |
| 46 | July 13, 2018 | 180713042320 | \$5,426.20 |
| 47 | August 15, 2018 | 180815047152 | \$15,939.35 |
| 48 | September 12, 2018 | 180912035657 | \$6,688.60 |
| 49 | October 12, 2018 | 181012043213 | \$12,603.97 |

All in violation of 18 U.S.C. § 641.

FORFEITURE ALLEGATION

Paragraphs 1 through 8 of the General Allegations and Counts 1 through 49 of this Indictment are incorporated as part of this section of the indictment as if fully re-alleged herein for the purpose of alleging forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

Upon conviction of any of the felony offenses charged in Count 1 to Count 49 of this indictment in violation of 18 U.S.C. § 641, defendant **JOSHUA B. CORDOVA** shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 246(c) any property, real or personal, which constitutes or is derived from proceeds traceable to such violation, or a conspiracy to commit such offense. The property to be forfeited includes, but is not limited to, the following:


1. Personal Property: Any personal property purchased with a SNL Procurement Card issued to defendant including:
 - a. One (1) 1.57 Carat Princess Cut Designer Four Prong Round Diamond Engagement Ring;
 - b. One (1) 1.40 Carat 14K White Gold Princess & Round Diamond Ladies Anniversary Wedding Band;
 - c. One (1) Samsung Curved 55" 4K Ultra HD Smart LED Model UN55MU6500 television;
 - d. One (1) Steve Silver Company Tournament Dining & Game Table;
 - e. Four (4) Armstead Professional Reclining Barber Chairs Model BC-5IBLK;
 - f. Two (2) 5.1 Home Theater Sets with Sonos Play Sub and Playbar;
 - g. One (1) Skywalker Trampolines 15' Rectangle Trampoline with Enclosure;

- h. Two (2) Goodyear Wrangler DuraTrac Radial - LT275170RI8 125Q tires;
 - i. One (1) Samsung 5.2 cubic foot, white top load washing machine, model WA52M7750AW;
 - j. One (1) Samsung 7.4 cubic foot, white electric dryer, model DVE52M7750W;
 - k. One (1) LG 26.2 cubic foot stainless steel French-door refrigerator model LFXS26973S;
 - l. One (1) UPPAbaby VISTA Stroller baby stroller;
 - m. One (1) UPPAbaby MESA Infant Car Seat;
 - n. One (1) UPPAbaby MESA Base;
 - o. Tour Edge HT Mas-J junior seven-club golf set with bag;
 - p. Callaway Women's Strata seven-club golf set;
 - q. Pair of two (2) 14K white gold diamond earrings;
2. Money Judgment: A sum of money representing the property constituting or derived from proceeds traceable to the offense, or conspiracy to commit such offense; and
3. Substitute Assets: If any of the property described above, as a result of any act or omission of the defendant:
- a. cannot be located upon the exercise of due diligence;
 - b. has been transferred or sold to, or deposited with, a third party;
 - c. has been placed beyond the jurisdiction of the court;
 - d. has been substantially diminished in value; or
 - e. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States to seek forfeiture pursuant to 21 U.S.C. § 853(p) and 28 U.S.C. § 2461(c) of any other property of the defendant up to the value of the forfeitable property described above.

A TRUE BILL:

/s/
FOREPERSON OF THE GRAND JURY


Assistant United States Attorney
3/8/2019 11:22 AM